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*This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.*

## **MINDTELL TECHNOLOGY LIMITED**

**九福來國際控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8611)**

### **CONNECTED TRANSACTION IN RELATION TO PROPOSED SUBSCRIPTION OF CONVERTIBLE BONDS UNDER GENERAL MANDATE**

**Financial Adviser to the Company**



**建泉融資有限公司**  
**VBG Capital Limited**

#### **CONNECTED TRANSACTION IN RELATION TO THE CB SUBSCRIPTION AGREEMENT**

On 24 October 2025 (after trading hours), the Company entered into the CB Subscription Agreement with the CB Subscriber, pursuant to which the Company conditionally agreed to issue and the CB Subscriber conditionally agreed to subscribe for the Convertible Bonds in the principal amount of HK\$28,600,000.

Upon full conversion of the Convertible Bonds at the initial Conversion Price of HK\$0.550 per Conversion Share (subject to adjustments), a total of 52,000,000 Conversion Shares will be issued, representing approximately 11.11% of the existing issued share capital of the Company and approximately 10.00% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares. The Conversion Shares will be allotted and issued pursuant to the General Mandate.

The CB Subscriber is an executive director of the Company. The CB Subscription Agreement constitutes a connected transaction of the Company.

Details of the major terms and conditions of the CB Subscription Agreement are set out in the section headed “The CB Subscription Agreement” in this announcement.

## **GENERAL MANDATE AND IMPLICATIONS UNDER THE GEM LISTING RULES**

Although the Conversion Shares will be issued under the General Mandate granted to the Directors at the AGM, as at the date of this announcement, Mr. Zhang Rongxuan, being the CB Subscriber under the CB Subscription Agreement, is an executive director of the Company and a connected person of the Company. Accordingly, the transactions contemplated under the CB Subscription Agreement constitute a connected transaction of the Company under the GEM Listing Rules and the CB Subscription Agreement is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. The CB Subscriber and its associates are required to abstain from voting on the resolutions in respect of the CB Subscription at the EGM.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, save for the CB Subscriber, no other Shareholders have a material interest in the transactions contemplated under the CB Subscription Agreement, and save for the CB Subscriber and its associates (which shall abstain from voting at the EGM in respect of the CB Subscription), no Shareholders would have to abstain from voting at the EGM.

Pursuant to the General Mandate, the total number of new Shares that the Company is authorized to issue is 93,600,000 shares, representing 20% of the number of issued Shares as at the date of the AGM. Upon completion of the CB Subscription, there will be 41,600,000 new Shares that the Company is authorised to issue remaining.

## **ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Company will establish an independent board committee, comprising all the independent non-executive Directors, to make recommendations to the Independent Shareholders in respect of the CB Subscription. The Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

## **GENERAL**

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the CB Subscription. A circular containing, among other things, (i) further details of the CB Subscription; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the aforementioned transactions above; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the aforementioned transactions above; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 14 November 2025.

**As the CB Subscription is subject to the fulfillment of the conditions set out in the CB Subscription Agreement and may or may not proceed, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company, and should consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position or as to actions they should take.**

## PROPOSED SUBSCRIPTION OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

### The CB Subscription Agreement

On 24 October 2025 (after trading hours), the Company entered into the CB Subscription Agreement with the CB Subscriber, pursuant to which the Company conditionally agreed to issue and the CB Subscriber conditionally agreed to subscribe for the Convertible Bonds in the principal amount of HK\$28,600,000, subject to the terms and conditions of the CB Subscription Agreement as below:

Date: 24 October 2025

Issuer: The Company

Subscriber: Mr. Zhang Rongxuan, who is an executive Director

As at the date of this announcement, Mr. Zhang Rongxuan does not hold any shares of the Company

Issue price: 100% of the principal amount

Principal amount: HK\$28,600,000

Conversion price: The Conversion Price per Conversion Share shall be HK\$0.550 which represents:

- (i) a discount of approximately 17.9% to the closing price of HK\$0.670 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 11.3% to the average closing price of approximately HK\$0.620 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Last Trading Day

Interest rate: The Convertible Bonds bear no interest

Conversion Shares: Based on the principal amount of the Convertible Bonds of HK\$28,600,000, the Convertible Bonds are convertible into 52,000,000 Conversion Shares at the initial conversion price of HK\$0.550 per Conversion Share (subject to adjustments)

Conversion Period:	The period commencing from the date of the completion, or subject to the mutual agreement between the Company and the Bondholder(s) from the date of the issue of the Convertible Bond, and ending on the maturity date (as defined below) (both dates inclusive)
Conversion rights and restrictions:	The holder(s) of the Convertible Bonds shall, subject to compliance with the procedures set out in the terms and conditions thereunder, have the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Bonds registered in its name into the Conversion Shares provided further the exercise of the conversion rights attached to the Convertible Bonds will not cause the Company to be unable to meet the public float requirement under the GEM Listing Rules
Ranking:	The Conversion Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the relevant conversion date including the right to all dividends other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the relevant conversion date
Maturity date:	The date falling twenty-four (24) months after the date of the issue of the Convertible Bonds
Voting rights:	The holder(s) of the Convertible Bonds shall not have any right to attend or vote in any general meeting of the Company
Transferability:	Subject to compliance with the GEM Listing Rules, the Convertible Bond shall not be assigned or transferred in whole or in part except with the prior written consent of the Company, which consent shall not be unreasonably withheld
Security:	The obligations of the Company under the Convertible Bonds are unsecured

## **Conditions of the CB Subscription Agreement**

The CB Subscription is conditional upon:

- (i) the passing by the Independent Shareholders of relevant resolution(s) at the EGM in compliance with the requirements of the GEM Listing Rules approving:
  - (a) the CB Subscription Agreement and the transactions contemplated thereunder; and
  - (b) the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares to holder(s) of the Convertible Bonds in accordance with the terms and conditions of the Convertible Bonds;
- (ii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the CB Subscription Agreement and the transactions contemplated thereunder having been obtained;
- (iii) all necessary consents and approvals required to be obtained on the part of the CB Subscriber in respect of the CB Subscription Agreement and the transactions contemplated thereunder having been obtained;
- (iv) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Conversion Shares to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds; and
- (v) the CB Subscriber and persons acting in concert with it not triggering any obligation to make a mandatory general offer for the relevant securities of the Company under Rule 26 of the Takeovers Code as a result of the conversion of the Convertible Bonds.

In the event that the conditions of the CB Subscription are not fulfilled on or before 31 March 2026 or such other date as may be agreed between the parties to the CB Subscription Agreement, the CB Subscription Agreement shall cease and terminate and neither the Company nor the CB Subscriber shall have any obligations and liabilities under the CB Subscription Agreement.

## **Completion**

The CB Subscription Agreement shall complete within 3 Business Days after the day on which the conditions set out above are fulfilled or, as the case may be, waived (or such later date as may be agreed between the Company and the CB Subscriber in writing).

## REASONS FOR AND BENEFITS OF THE PROPOSED SUBSCRIPTION OF CONVERTIBLE BONDS AND USE OF PROCEEDS

The Group is principally engaged in the provision of system integration and development services, IT outsourcing services and maintenance and consultancy services.

Pursuant to ongoing development strategies, the Group strives to explore the possibility of investing in new hardware to enhance the Group's existing capabilities and establish a stronger presence in its core operations in the PRC and other potential regions in South-East Asia. The Group aims this business development would help enable the provision of new automated solutions targeted to clients in banking, education and SMEs as well as broadening its revenue stream from its core IT services offered by the Group.

Set out below are the intended use of the net proceeds as follows:

Intended use of the net proceeds	Net proceeds to be used
Technology Upgrade: Approximately 60% of the net proceeds in the key investment into hardware to enhance the Group's existing capabilities and help enable the provision of automated solutions tailored to varying industries	HK\$17.2 million
Talent and Operation Expansion: Approximately 20% of the net proceeds in the headcount expansion by recruitment of software developers and professional affiliates and the provision of incentives in the retaining of talents	HK\$5.7 million
Working Capital and Contingencies: Approximately 20% of the net proceeds for support of day-to-day operations and other integration costs	HK\$5.7 million
<b>Total</b>	<b>HK\$28.6 million</b>

The Directors anticipates the Company would be able to create synergy with the CB Subscriber by utilizing its expertise and building from the CB Subscriber's networking with consideration that (i) the net proceeds from the CB Subscription would relieve the Group of its potential growing operation following its development strategies; and (ii) any potential increase in the Company's Shares will provide value in the CB Subscriber's Conversion Shares, and will therefore act as an incentive for the Subscriber to enter into any active role by providing potential networking or financial support in contribution to the continuous growth of the Group.

## EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the possible changes in the shareholding structure of the Company arising from the proposed CB Subscription which are for illustrative purpose only.

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon full conversion of the Convertible Bonds at the Conversion Price:

Controlling Shareholder, Substantial Shareholders and Directors	As at the date of this announcement		Immediately upon full conversion of the Convertible Bonds at the Conversion Price	
	<i>Number of Shares</i>	<i>Approx %</i>	<i>Number of Shares</i>	<i>Approx %</i>
Delicate Edge Limited ( <i>Note 1</i> )	98,280,000	21.00%	98,280,000	18.90%
King Nordic Limited ( <i>Note 2</i> )	98,280,000	21.00%	98,280,000	18.90%
CB Subscriber	0	0.00%	52,000,000	10.00%
Other public shareholders	271,440,000	58.00%	271,440,000	52.20%
Total	468,000,000	100.00%	520,000,000	100.00%

### Notes:

1. Delicate Edge Limited is wholly and beneficially owned by Mr. Chong Yee Ping, which holds 98,280,000 Shares.
2. King Nordic Limited is wholly and beneficially owned by Mr. Siah Jiin Shyang, which holds 98,280,000 Shares.

Under the terms of the Convertible Bonds, the conversion rights attached to them cannot be exercised to the extent that (i) the public float of the Company will be less than 25% of the issued share capital of the Company following such exercise; (ii) the CB Subscriber and persons acting in concert with it will trigger any obligation to make a mandatory general offer for the relevant securities of the Company under Rule 26 of the Takeovers Code as a result of the conversion of the Convertible Bonds; or (iii) such exercise will result in the Company being in breach of any provision of the GEM Listing Rules.

## **FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST 12 MONTHS**

The following is the equity fund raising activity conducted by the Company in the past 12 months immediately before this announcement.

<b>Date of announcement</b>	<b>Fundraising activity</b>	<b>Net proceeds raised</b>	<b>Intended use of net proceeds</b>	<b>Actual use of net proceeds</b>
7 January 2025	Subscription of new shares under general mandate	HK\$4.0 million	General working capital	Fully utilized as intended

Save as disclosed above, the Company has not conducted any equity fund raising activities in the past 12 months immediately prior to the date of this announcement.

## **GENERAL MANDATE AND IMPLICATIONS UNDER THE GEM LISTING RULES**

Although the Conversion Shares will be issued under the General Mandate granted to the Directors at the AGM, as at the date of this announcement, Mr. Zhang Rongxuan, being the CB Subscriber under the CB Subscription Agreement, is an executive director of the Company and a connected person of the Company. Accordingly, the transactions contemplated under the CB Subscription Agreement constitute a connected transaction of the Company under the GEM Listing Rules and the CB Subscription Agreement is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. The CB Subscriber and its associates are required to abstain from voting on the resolutions in respect of the CB Subscription at the EGM.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, save for the CB Subscriber, no other Shareholders have a material interest in the transactions contemplated under the CB Subscription Agreement, and save for the CB Subscriber and its associates (which shall abstain from voting at the EGM in respect of the CB Subscription), no Shareholders would have to abstain from voting at the EGM.

Pursuant to the General Mandate, the total number of new Shares that the Company is authorized to issue is 93,600,000 shares, representing 20% of the number of issued Shares as at the date of the AGM. Upon completion of the CB Subscription, there will be 41,600,000 new Shares that the Company is authorised to issue remaining.

## **ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Company will establish an independent board committee, comprising all the independent non-executive Directors, to make recommendations to the Independent Shareholders in respect of the CB Subscription. The Company will appoint an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.



## GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the CB Subscription. A circular containing, among other things, (i) further details of the CB Subscription; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the aforementioned transactions above; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the aforementioned transactions above; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 14 November 2025.

**As the CB Subscription is subject to the fulfillment of the conditions set out in the CB Subscription Agreement and may or may not proceed, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company, and should consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position or as to actions they should take.**

## DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“AGM”	the annual general meeting of the Company held on 26 March 2025
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“CB Subscriber”	Mr. Zhang Rongxuan, who is an executive Director
“CB Subscription”	the proposed subscription of Convertible Bonds in the Company by the CB Subscriber in the principal amount of HK\$28,600,000
“CB Subscription Agreement”	the subscription agreement dated 24 October 2025 entered into between the Company and the CB Subscriber in respect of the subscription of the Convertible Bonds

“Company”	Mindtell Technology Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on GEM (stock code: 8611)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Conversion Shares”	a maximum of 52,000,000 Shares to be issued upon conversion of the Convertible Bonds pursuant to the terms and conditions of the Convertible Bonds
“Convertible Bonds”	the convertible bonds in the aggregate principal amount of HK\$28,600,000 to be issued by the Company to the CB Subscriber pursuant to the CB Subscription Agreement
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the proposed Share Consolidation and the proposed Rights Issue
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the AGM to allot, issue and deal with up to 20% of the then number of the issued Shares as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Board, comprising all the independent non-executive Directors, to be formed for the purpose of giving a recommendation to Independent Shareholders of the Rights Issue

“Independent Shareholder(s)”	any Shareholder(s) other than the Controlling Shareholder Group and their associates and who are not required to abstain from voting at the EGM under the GEM Listing Rules
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Last Trading Day”	24 October 2025, being the last trading day of the Shares on the Stock Exchange before the release of this announcement
“Listing Committee”	has the meaning as defined in the GEM Listing Rules
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company from time to time
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board of  
**Mindtell Technology Limited**  
**Zhang Rong Xuan**  
*Chairman*

Hong Kong, 24 October 2025

*As at the date of this announcement, the executive Director is Mr. Zhang Rongxuan; the non-executive Director is Mr. Chong Yee Ping; and the independent non-executive Directors are Dato' Yeong Kok Hee, Mr. Yuen Chun Fai and Ms. Lau Meng Hong.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the "Latest Listed Company Information" page of the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days after the date of publication and on the Company's website at [www.mindtelltech.com](http://www.mindtelltech.com)*